



Dear Prospective Board Member:

Thank you for your interest in joining the Financial Plus Credit Union (FPCU) Board of Directors.

To be considered for election or appointment to our Board of Directors, you must be a member in good standing of FPCU; and once elected, you must remain a member in good standing. This and other duties, qualifications, and obligations are outlined in the accompanying three-page document entitled, "On Being a Board Member." This informational piece is for you to keep.

We also ask that you complete and return the following attachments to this letter if you are interested in serving on our Board of Directors:

- FPCU Application for Board of Directors
- Board Member Candidate Biography form
- Fair Credit Reporting Act Disclosure and Authorization
- FPCU Code of Conduct Policy & acknowledgement

Please return all completed forms to:

Financial Plus Credit Union
c/o Nominating Committee
1831 25th Street
West Des Moines, IA 50266

If you have any additional questions regarding the application or nomination process, please write to the FPCU Nominating Committee at the above address, or call 515 224-1222.

Sincerely,

On behalf of the FPCU Board of Directors Nominating Committee

Board Member Profile & Responsibilities

To run for and serve on the FPCU of Directors you must be at least 18 years old and a member in good standing. "A member in good standing" is one who . . .

- ◆ Maintains the minimum share balance for membership (\$25),
- ◆ Is not delinquent, over limit or overdrawn on any loan, credit card or share account,

Board members serve overlapping three-year terms, with three to four director seats being up for election at each annual meeting of the credit union.

Board members should be committed to their credit union and interested in general credit union affairs. The board's ultimate responsibility is to guide the credit union by using sound business practices. The goal is to have a well-rounded board who are representative of the membership and who can carry out the appropriate duties and responsibilities, which include but are not limited to:

<ul style="list-style-type: none"> ◆ Representing, serving, and being responsive to credit union members. ◆ Understanding basic business concepts. ◆ Actively using the credit union's services. ◆ Knowing the credit union's history and supporting its philosophy. ◆ Giving the time and effort necessary to perform the duties of a board member; and committee member and/or officer as appropriate. ◆ Cooperating with other directors and supporting board decisions. ◆ Abiding by code of conduct guidelines. ◆ Accepting and adapting to change -- being open to new ideas. ◆ Knowing the credit union's services and how they compare with competitors. ◆ Awareness of how local/national economic and social developments may affect the credit union. ◆ Providing direction to the CEO and staff. ◆ Maintaining confidentiality of all credit union business. ◆ Meeting the Board's educational and attendance requirements. ◆ Attending/participating in board meetings, annual meetings, and strategic planning sessions. ◆ Observing all State and Federal laws and regulations. ◆ Obeying credit union bylaws and policies. 	<ul style="list-style-type: none"> ◆ Serving on standing committees; and ad hoc committees, as requested by the Board. ◆ Assuring, in good faith, the credit union abides by all State and Federal regulations. ◆ Establishing, reviewing and ensuring compliance with credit union policies and by-laws. ◆ Monitoring legislation and taking necessary action to comply with new laws and regulations. <p><i>(excerpted from Iowa Code 533.9 for state credit unions)</i></p> <p><i>The duties of a member of the board of directors shall include, but are not limited to:</i></p> <ul style="list-style-type: none"> ◆ <i>General management of credit union affairs.</i> ◆ <i>Setting the surety bond amount for all officers and employees handling money.</i> ◆ <i>Periodic review of original credit union records, or comprehensive summaries prepared by the officers of the credit union, pertaining to loans, security interests, and investments.</i> ◆ <i>Review of the adequacy of the credit union's internal controls.</i> ◆ <i>Periodic review of security measures.</i> ◆ <i>Establishing education and training programs to ensure that the directors possess adequate knowledge to manage the affairs of the credit union.</i>
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FPCU BOD Officer & Committee Descriptions/Duties

OFFICERS: The officers, with approval of the Board of Directors, are responsible for seeing that the credit union and its affairs are conducted according to appropriate laws, rules, and regulations. They must represent the interests of FPCU membership by fulfilling the specific duties and responsibilities of their respective positions in accordance with FPCU bylaws (as paraphrased from bylaw sections 4.4, 6.6 - 6.8, and 6.10). Officers of FPCU are the chairperson, vice chairperson, secretary, and chief financial officer.

Chairperson

- ◆ Presides at meetings of the members and of the Board.
- ◆ Countersigns (or has a designee countersign) all notes executed by the credit union.
- ◆ Performs all other lawful duties as deemed appropriate, or by resolution of the Board.
- ◆ May call special credit union meetings, with approval from at least 1/3 of the members.

Vice Chairperson

- ◆ Performs the duties of the chairperson in the event of his or her absence.
- ◆ Performs other duties as the Board may deem appropriate.

Secretary

- ◆ Keeps (or designates someone to keep) records of all meetings of members and of the Board.
- ◆ Signs the minutes from such meetings.
- ◆ Gives notice of all meetings of the members.
- ◆ Performs other duties as deemed appropriate.

Chief Financial Officer

- ◆ Custodian of funds, securities, books of account, and all other value credit union papers.
- ◆ Keeps (or delegates such duties) records containing detail of all credit union financial transactions.
- ◆ Prepares (or designates someone to prepare) detailed monthly financial reports for the Board.
- ◆ Signs (or has a designee sign) all notes executed by the credit union.

COMMITTEES: FPCU committees are formed by the Board to carry out tasks that the Board is unable to accomplish at its regular monthly meetings. The Board nominates committee chairs and members immediately following the Annual Meeting. The standing committees are Executive, Finance, Audit, and Credit. The Credit and Audit Committees are required by State Code (and must have at least three members). Ad hoc committees may be established periodically for a specific purpose and disbanded when they have fulfilled that purpose. The Board Chairperson may appoint a staff liaison to a committee.

Committees meet as often as necessary to accomplish the credit union mission – anywhere from twice a year to every month. If a committee meeting results in any findings to report, or in proposed action to be taken, such information is to be shared with the Board. This can be done by issuing minutes or a written report.

Executive Committee

The Executive Committee consists of the Board Chair, Vice Chair, Secretary and Chief Financial Officer. The Board authorizes the Chair to call Executive Committee meetings to act on critical issues and specific matters when it is impossible or impractical to get the full Board together.

The committee assists the Board in ensuring that the CEO is appropriately compensated and effectively motivated. Accordingly, the committee, on behalf of the Board, assists with following:

- ◆ Establish and oversee the maintenance of a staff succession plan.

- ◆ Develop and administer an effective CEO executive compensation and benefits program.
- ◆ Negotiate the CEO employment contract.
- ◆ Facilitate the CEO annual performance appraisal.
- ◆ Oversee implementation of an emergency Succession Plan in cooperation with the Board Chairperson in case of the CEO's untimely departure.

Finance Committee

The Finance Committee is responsible for ensuring that the credit union's financial reports are timely, accurate and appropriate. Such reports are critical to the long-term success of the credit union. The committee shall be responsible for reviewing strategies and actions with regard to Asset/Liability Management and Investments; and shall report related results to the Board. The committee shall also evaluate new investment instruments for approval by the Board.

Audit Committee

The Audit Committee works to guarantee safety and soundness of the Credit Union. The committee is responsible for analyzing financial/accounting reports; performing annual audits; and ensuring compliance with policies, plans, procedures, laws and regulations that could affect Credit Union performance. It ascertains whether the established system of internal control provides reasonable assurance that we will meet our goals efficiently.

The committee may engage external auditors (the Board provides adequate funds for the external auditors' examination); and shall oversee external and internal auditors to assure proper independence and objectivity.

Some activities of the committee may require using a separate Credit Union address for confidential and direct member contact. The committee may handle written member questions and complaints, usually related to transactions compliance.

Per the By-Laws of the credit union, members of the Audit Committee may not serve as an officer of the Executive Committee or as a member of the Credit Committee.

Credit Committee

The Credit Committee performs monthly reviews of documentation for all staff and Board member loans in addition to a percentage of all other loans. The committee reviews various types of loan documentation, including, but not limited to, the following:

- | | |
|--------------------------|---------------------|
| ◆ Credit Report | ◆ Lien on Security |
| ◆ Credit Rating | ◆ Value of Security |
| ◆ Signed Application | ◆ Loss Payee |
| ◆ Signed Note/Disclosure | ◆ Co-Signor |

The committee's review process helps ensure that every member is treated equally as it relates to loan approval practices. The committee reports any exceptions to senior staff and Board for explanation and resolution.



APPLICATION FOR BOARD OF DIRECTORS

Name: _____ Home Phone: _____ - _____ - _____

Home Address: _____

Employer Name & Work Address: _____

Occupation: _____

Work Phone: _____ - _____ - _____ E-mail Address: _____

Driver License #: _____ Credit Union Account #: _____

Education: _____

Community Involvement: _____

Particular skills, knowledge or strengths you bring to the position: _____

Why would you like to serve as a volunteer? _____

References:

<u>Name:</u>	<u>Relationship:</u>	<u>Address:</u>	<u>Phone #:</u>
_____	_____	_____	_____ - _____ - _____
_____	_____	_____	_____ - _____ - _____
_____	_____	_____	_____ - _____ - _____

In processing your application, the Nominating Committee of Financial Plus Credit Union may request an investigative consumer report, which may include information as to your character, experience, police and credit records and other similar information. This consumer report may be used in whole or in part in the nomination decision. You have the right to request that the Nomination Committee disclose to you all information obtained as a result of the investigation. Such a request must be made in writing to the Chairman of the Nomination Committee within a reasonable period of time after you complete this application.

By signing below, you acknowledge that you have read and understand the above statement, and authorize the Nomination Committee of Financial Plus Credit Union to obtain an investigative consumer report pertaining to you.

Signature Date



**FAIR CREDIT REPORTING ACT
DISCLOSURE AND AUTHORIZATION
DISCLOSURE**

As an applicant for employment or a current employee of this organization, you are a consumer with rights under the Fair Credit Reporting Act. When any of the following circumstances exist, this organization may choose to obtain and use information contained in either a consumer report or an investigative consumer report from a consumer reporting agency about you when: (1) considering your application for employment, (2) making a decision whether to offer you employment, (3) deciding whether to continue your employment (if you are hired), or (4) making other employment-related decisions directly affecting you. For explanation purposes, a "consumer reporting agency" is a person or business which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly assembles or evaluates consumer credit information or other information on consumers for the purpose of furnishing consumer reports to others, such as this organization.

A "consumer report" means any written, oral or other communication of any information by a consumer reporting agency bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing your eligibility for employment purposes.

An "investigative consumer report" means a consumer report or portion thereof in which information on your character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with your neighbors, friends, or associates reported on or with others with whom you are acquainted or who may have knowledge concerning any such items of information.

In the event an investigative consumer report is prepared, you may request additional disclosures regarding the nature and scope of the investigation requested as well as a written summary of your rights under the Fair Credit Reporting Act.

Authorization

By signing below, I hereby voluntarily authorize this organization to obtain either a consumer report or an investigative consumer report about me from a consumer reporting agency and to consider this information when making decisions regarding my employment at this organization. I understand that I have rights under the Fair Credit Reporting Act, including the rights discussed above.

Signature

Date

Name (Please Print)

Governing Rules and Regulations

FPCU is governed by the laws of the State of Iowa relating to Credit Unions, its articles of incorporation, and bylaws adopted by the board and approved by the Iowa Division of Credit Unions. Nothing in this policy statement shall be construed to be in conflict with the rules and regulations as identified above.

All credit union staff/volunteers shall employ the highest ethical standards and shall comply with the letter and spirit of all applicable laws, regulations, and internal policies in the conduct of credit union business. **FAILURE TO ABIDE BY ANY OF THESE STANDARDS MAY RESULT IN SEVERE DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION OR REMOVAL FROM OFFICE.**

Code of Ethics

Every director, officer, member of a supervisory committee and employee (where applicable) shall exercise the powers and discharge the duties of his/her office honestly, in good faith, to the best of their ability, and in the best interests of the Credit Union. In connection therewith, he/she shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Responsibilities to Members:

- Treat all individuals fairly without regard to race, creed, national origin, sex, religion or social or economic level.
- Encourage thrift and savings and, protect the assets placed in the care and custody of the Board of Directors.
- Provide consumer loan services at the least possible cost while exercising the wise use of credit.
- Practice and maintain high standards of sound management, including efficiency, integrity and economy of operations.
- Adhere to democratic and cooperative principles within the Credit Union and encourage and facilitate active member participation in its democratic process.
- Provide members with timely and accurate information regarding the financial conditions, operations and services of the Credit Union and of their individual accounts or transactions.
- Preserve and protect the privacy and confidentiality of all member financial records and transactions. Disclosure of confidential information will be made only with the written approval of the member or due legal process in compliance with the Right to Financial Privacy Act.
- Abide by the letter, spirit and intent of state and federal consumer protection laws and regulations and to provide members with complete and accurate information concerning their rights.
- Increase knowledge and ability of members to manage and control their financial well-being through counseling and by providing educational information, materials and programs.

Responsibilities to the Credit Union Movement:

- Promote and protect always the best interests and reputation of the credit union movement and avoid and resist influences and practices that are detrimental to it.
- Support and participate in programs that favorably affect the society, citizens and communities served by the Credit Union.
- Make Credit Union membership available to as many people as possible.

Personal Finances

Because of our position of trust in the community, personal finances should be managed with prudence. Personal financial affairs should be conducted in such a manner as to be above regulatory or auditing criticisms or concerns. Officers should discuss any financial emergency with the President/CEO. Employees may discuss any financial emergency with their supervisor.

Proper Credit Union Practices

The credit union considers any form of fraud or dishonesty by any credit union staff member or volunteer as misconduct. Acts that are considered to be fraudulent and/or dishonest include, but are not limited to:

- Performing any transaction on one's own behalf. Teller "IOU's" and cashing one's own checks/share drafts are specifically prohibited. Transfer of funds between accounts or payment of loans must be done via Internet banking or by another staff member.
- Manipulation of loan accounts, documents, computer records, shares or checking/share draft accounts
- Theft of any kind, including stealing from members' accounts, overpayment of dividends, or creating fictitious accounts.
- Check/Share draft kiting.
- Forgery
- Unauthorized or unapproved salary advances, expense reimbursements or falsified time sheets.
- Intentional violation of credit union rules, internal controls, procedures, or regulations.
- Intentionally failing to secure collateral or properly record a security interest in collateral, or intentionally pledging a member's shares as collateral without that member's permission (except as provided for in credit union share or loan agreements.)
- Granting or requesting preferential treatment for anyone.
- Use of repossessed vehicles for other than official credit union business (which includes repairing, cleaning, transporting, selling, and preparing the vehicle for sale).

Confidential Information

All of our records are confidential and may not be copied or disclosed without authorization from management. Never discuss member affairs, accounts, files, or printed material, except on a need-to-know basis with other employees. Confidential information includes all personnel and payroll records, information about our members, and anything else about the way we operate.

On a periodic basis, the credit union is examined. The reports that examiners furnish must remain the property of the regulatory agency and are strictly confidential. Information contained in the reports is privileged information and should not be communicated to anyone not officially connected with the credit union.

The credit union respects the right of employees and volunteers to privacy in matters that have no relation to their employment or volunteer duties. Matters of a personal nature will be treated with the utmost confidentiality.

Financial information regarding the credit union is not to be released to any person unless it has been published in reports to members or otherwise made available to the public in agreement with applicable disclosure regulations currently in effect. Any questions regarding disclosures of confidential financial information should be reviewed with the President/CEO and/or legal counsel prior to disclosure.

Confidential information obtained as a result of comments made within our credit union should not be used for private interests.

Conflict of Interest

When matters pertaining to the specific personal interest of a board member are discussed, the affected board member or members shall not engage in the discussion nor shall he/she participate in the vote, and the minutes shall so state. If more than one board member is involved in matters involving a conflict of interest and a vote is called, the number voting must exceed the quorum requirements for the meeting or unanimous action is required of the voting board members.

Any Credit Union director, officer or committee member (or immediate family member of any director, officer or committee member) and employee who is associated with or holds a controlling or material ownership interest in another financial institution, trade association or related business shall file an annual disclosure statement with the board chairman within 30 days of January 1, the implementation date of this policy, the start of employment, or taking office. Any apparent conflict of interest disclosed by the statement, or becoming apparent thereafter, must be resolved by the board and the individual in a mutually satisfactory manner as a condition of continued service to the credit union.

No officer, director, committee member or employee shall become involved in any support to special interest groups on behalf of the Credit Union, be they religious, political or otherwise, except where they form part and parcel of the Credit Union system. The Credit Union may allow the display of posters, leaflets, notices and like advertisements for local charitable, sports, or recreational activities in its premises when it considers such notices to be in the *overall* member interest. Specifically barred from posting are:

Political posters and notices, religious posters and notices, Special Interest Group posters and notices; such as unions, vendors, social action committees and the like, posters or notices which suggest that the Credit Union endorses the notice, or otherwise associates the Credit Union with such notice or posting, without the express consent of the Credit Union.

No director, officer, committee member or employee shall solicit for themselves or for a third party (other than the Credit Union itself) anything of value from anyone in return for any business, service or confidential information of the Credit Union.

No director, committee member or employee shall accept anything of value from anyone in connection with the business of the Credit Union either before or after a transaction or decision is discussed or consummated.

No officer, director, committee member or employee shall disclose to anyone not entitled thereto, confidential information regarding the Credit Union and its members. All information not generally available to the membership through reports, financial statements or policy statements shall be considered trade secrets of the credit union and shall remain confidential.

Exceptions to General Prohibitions

The following exceptions apply to the general prohibition regarding the acceptance of things of value in connection with Credit Union business:

- The acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships where the circumstances make it clear that it is those relationships rather than the business of the Credit Union which are the motivating factors.
- The acceptance of meals, refreshments or entertainment, all of reasonable value and in the course of a meeting or other occasion the purpose of which is to hold bona fide business discussions, provided these expenses would be paid for by the Credit Union if not paid for by the other party as a reasonable business expense.
- The acceptance of loans from banks or financial institutions on customary terms to finance proper and usual activities of Credit Union officials.
- Acceptance of advertising or promotional material of reasonable value, such as pens, pencils, note pads, key chains, etc.
- Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other members, except if previously approved by the Credit Union Board.
- Acceptance of gifts of reasonable value that are related to commonly recognized events or occasions; such as promotion, new job, wedding, retirements or Christmas.
- Acceptance of civic, charitable, education or religious organizational awards for recognition of service and accomplishment.
- On a case by case basis, the Credit Union may approve of other circumstances, not identified above, in which a Credit Union official accepts something of value in connection with Credit Union business, provided that such approval is made in writing based on full written disclosure of all relevant facts.

Should an officer or employee receive something of value beyond what is authorized in this policy statement, the official or employee must disclose that fact to either the President/CEO or the Board Chair. The President/CEO and the Board Chair shall review all such disclosures to determine that no implications of corrupt intent or breach of trust exist. At the discretion of the Chair and the President/CEO, or at the request of the official involved, such disclosure may be brought before the Board of Directors for further action.

In cases where an employee, officer or director has reason to suspect criminal activity on the part of any other employee, officer or director of the Credit Union, they are directed to bring the matter to the attention of the President/CEO or the Board Chair. If deemed necessary, the President/CEO or Chair may direct that a criminal referral form be completed and filed with the Division of Financial Services and NCUA.

Bank Bribery Act

The Bank Bribery Act prohibits employees, officers and directors of financial institutions from seeking or accepting anything of value in connection with any transaction or the business of their financial institution. Therefore, it is the stated policy of FPCU to prohibit its employees, officers and directors from:

1. Soliciting for themselves or for a third party (other than FPCU itself) anything of value from anyone in return for any business, service, or confidential information of the Credit Union.
2. Accepting anything of value (other than bona fide salary and fees) from anyone in connection with the business of the Credit Union either before or after a transaction is discussed or consummated.

Exceptions to these provisions are as follows:

1. Acceptance of a thing of value that is based upon a family or personal relationship existing independent of any business of the Credit Union.
2. Acceptance of a thing of value that is available to the general public under the same conditions on

which it is available to the Credit Union employee or director.

3. Reimbursement by the Credit Union for reasonable business expenses if not paid for by another party.
4. Acceptance of advertising or promotional materials of reasonable value.
5. Acceptance of gifts of reasonable value that are related to commonly recognized events or occasions, such as promotion, new job, wedding, retirement, Christmas or birthday.

For purposes of this policy statement, "a thing of value" is defined as any service, product or "perk" whose value exceeds \$25.00. However, the Credit Union recognizes that there may be circumstances under which an employee, director, or official receives a thing of value that does not constitute a "bribe". In such instances, the employee is required to submit a written disclosure of the source, circumstance and identity of the "thing of value" received. This disclosure should be given to the President/CEO within ten days of the circumstance requiring it. Disclosures by the President/CEO will be submitted to the Chairman of the Board of Directors. Bank Bribery disclosures shall be reviewed by the President/CEO and/or the Board to review and determine that what was accepted is reasonable and does not pose a threat to the integrity of the Credit Union.

In cases where an employee, officer or director of the Credit Union has reason to suspect criminal activity on the part of any other employee of the Credit Union, they are directed to bring the matter to the attention of the President/CEO or the Chairman of the Board. If deemed necessary, the President/CEO or Chairman may direct that a criminal referral form be completed.



**BOARD MEMBER CODE OF CONDUCT
Acknowledgment and Affirmation**

After having read the FPCU Code of Conduct Policy (which addresses Code of Ethics, Conflict of Interest, and the Bank Bribery Act), please complete the following:

I do not presently hold a position as an official or management official in another depository institution, trade association or related business; OR

I presently hold a position as an official or management official in another depository institution, trade association or related business as follows:

Name and Address of Corporation or Firm	Official Capacity	Percent Ownership or Interest	Income or Fees Past 12 Months

By signing below, I hereby acknowledge receipt of Financial Plus Credit Union’s Code of Conduct policy statement. I affirm that I have read and understand the policy and that I will comply with it to the best of my ability. I further affirm that the above information is correct, and will notify the Financial Plus Credit Union CEO/President or Chairman of the Board of any possible breaches of this policy and/or if there are any changes in my status from what I have indicated above.

Signature

Date

Name (Please Print)